

Dallas Police and Fire Pension System
Thursday, July 11, 2019
8:30 a.m.
4100 Harry Hines Blvd., Suite 100
Second Floor Board Room
Dallas, TX

Regular meeting, Nicholas A. Merrick, Vice Chairman, presiding:

ROLL CALL

Board Members

Present at 8:31 a.m. Nicholas A. Merrick, William F. Quinn (by phone), Armando Garza, Gilbert A. Garcia, Susan M. Byrne, Joseph P. Schutz, Kneeland Youngblood

Present at 8:33 a.m. Robert C. Walters,

Present at 8:35 a.m. Ray Nixon

Absent: Tina Hernandez Patterson, Blaine Dickens

Staff

Kelly Gottschalk, Josh Mond, Kent Custer, Brenda Barnes, John Holt, Damion Hervey, Cynthia Thomas, Ryan Wagner, Greg Irlbeck, Milissa Romero

Others

Matthew McCue, Sandy Alexander

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The meeting was called to order at 8:31 a.m.

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A. TRUSTEES

The Board welcomed Armando Garza to serve as the Fire Fighter Trustee for the remaining vacated Fire Fighter Trustee term.

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B. MOMENT OF SILENCE

The Board observed a moment of silence in memory of retired police officer Thomas G. Gartrell, Jerry Raz, and retired firefighters Jerry T. Minter, J. A. Landess, W. W. Carter, L. H. Abercrombie, James R. Bates.

No motion was made.

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C. CONSENT AGENDA

1. Approval of Minutes

Regular meeting of June 13, 2019

2. Approval of Refunds of Contributions for the Month of June 2019

3. Approval of Activity in the Deferred Retirement Option Plan (DROP) for July 2019

4. Approval of Estate Settlements

5. Approval of Survivor Benefits

6. Approval of Service Retirements

7. Approval of Alternate Payee Benefits

8. Approval of Earnings Test

After discussion, Mr. Youngblood made a motion to approve the minutes of the meeting of June 13, 2019. Mr. Garcia seconded the motion, which was unanimously approved by the Board.

After discussion, Mr. Garcia made a motion to approve the remaining items on the Consent Agenda, subject to the final approval of the staff. Ms. Byrne seconded the motion, which was unanimously approved by the Board.

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**D. DISCUSSION AND POSSIBLE ACTION REGARDING ITEMS FOR
INDIVIDUAL CONSIDERATION**

1. Portfolio Update

Investment staff briefed the Board on recent events and current developments with respect to the investment portfolio.

No motion was made.

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2. Report on Investment Advisory Committee

Investment Staff briefed the Board on the observations and advice of two of the Investment Advisory Committee members when they met with staff on June 24, 2019.

No motion was made.

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3. Lone Star Investment Advisors Update

Investment Staff updated the Board on recent performance, operational, and administrative developments with respect to DFPF investments in funds managed by Lone Star Investment Advisors.

The Board went into closed session executive session – Legal at 8:43 a.m.

The meeting was reopened at 9:48 a.m.

No motion was made.

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- 4. Legal issues - In accordance with Section 551.071 of the Texas Government Code, the Board will meet in executive session to seek and receive the advice of its attorneys about pending or contemplated litigation, including Eddington et al. v. DFPF et al. or any other legal matter in which the duty of the attorneys to DFPF and the Board under the Texas Disciplinary Rules of Professional Conduct clearly conflicts with Texas Open Meeting laws.**

The Board went into closed session executive session – Legal at 8:43 a.m.

The meeting was reopened at 9:48 a.m.

No motion was made.

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- 5. Private Asset Cash Flow Projection Update**

Staff provided the quarterly update on the private asset cash flow projection model first discussed at the February 2018 Board meeting. The cash flow model projects estimated contributions to, and distributions from, private assets through the end of 2022. These estimates are intended to assist the Board in evaluating the expected time frame to reduce DFPF’s exposure to these assets and the implications for the overall asset allocation and expected portfolio risk and return.

No motion was made.

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- 6. Infrastructure Portfolio Review**

Staff provided an overview of the three funds which comprise the infrastructure asset class: the Global Maritime Investment Fund managed by JPMorgan Asset Management, and the Asian Infrastructure and Related Resources Opportunity funds I and II, both managed by The Rohatyn Group.

No motion was made.

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7. Audit Status

The Chief Financial Officer provided a status update on the annual financial audit.
No motion was made.

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8. Monthly Contribution Report

Staff presented the Monthly Contribution Report.
No motion was made.

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9. Board approval of Trustee education and travel

- a. Future Education and Business-related Travel
- b. Future Investment-related Travel

The Board and staff discussed approval of future education and business-related travel. There was no future investment-related travel.

After discussion, Mr. Garcia made a motion to approve Mr. Garza’s request to attend the TEXPERS Basic Trustee Training. Mr. Walters seconded the motion, which was unanimously approved by the Board.

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E. BRIEFING ITEMS

1. Reports and concerns of active members and pensioners of the Dallas Police and Fire Pension System

No active member or pensioner requested to address the Board with concerns.

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E. BRIEFING ITEMS (continued)

2. Executive Director’s report

- a.** Associations’ newsletters
 - NCPERS Monitor (June 2019)
- b.** Open Records
- c.** Nominations Committee Update
- d.** Employee Service Award

The Executive Director’s report was presented.

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Mr. Walters left the meeting at 10:28 a.m.

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Ms. Gottschalk stated that there was no further business to come before the Board. On a motion by Mr. Youngblood and a second by Ms. Byrne, the meeting was adjourned at 10:29 a.m.

/s/ Nicholas A. Merrick

Nicholas A. Merrick
Vice Chairman

ATTEST:

/s/ Kelly Gottschalk

Kelly Gottschalk
Secretary